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FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/08

SPONSOR Varela LAST UPDATED _____ HB 7

SHORT TITLE General Appropriation Act of 2008 SB _____

ANALYST Fernandez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	6,003,854.9	Recurring	General Fund
	2,534,845.8	Recurring	Other State Funds
	1,299,642.3	Recurring	Internal Service/Inter Agency Transfers
	4,890,319.0	Recurring	Federal Funds
9,414.0		Recurring	General Fund
132,034.5		Nonrecurring	General Fund
	8,100.0	Nonrecurring	General Fund Reserve*
	33,980.0	Nonrecurring	Other State Funds
	1,616.4	Nonrecurring	Federal Funds

(Parenthesis () Indicate Expenditure Decreases)

*** From the Appropriation Contingency Fund - Education Lock Box**

Conflicts with House Bill 2 and Senate Bill 153
 Duplicates Senate Bill 78

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Bill 7 represents the Legislative Finance Committee recommendation for funding the FY09 recurring operations of state government. It appropriates general fund, other state funds, internal service funds/interagency transfers and federal funds for the operation of state agencies, higher education and public school support. See the fiscal implications section of this report for the breakout of appropriations between recurring and nonrecurring funding sources.

1. Section 4, Fiscal Year 2009 Appropriations (pages 6 through 224). This section provides funding for state agencies, higher education and public school support.
2. Section 5 Special Appropriations (pages 225 through 234); Section 6, Supplemental and Deficiency Appropriations (pages 234 through 236); Section 7, Data Processing Appropriations (pages 236 through 239); and Section 8, Compensation Appropriations (pages 239 through 242).
 - Section 5 appropriates money for expenditure in FY08 and FY09 for various special purposes.
 - Section 6 appropriates money for expenditure in FY08 to make up shortfalls in FY07 and projected shortfalls in FY08.
 - Section 7 appropriates money for expenditures in FY08 and FY09 for major information technology projects.
 - Section 8 appropriates money for expenditure in FY09 for public employee compensation as detailed in the compensation table below.

FISCAL IMPLICATIONS

The appropriations contained in this bill can be summarized as follows:

(dollars in thousands)

Agency	General Fund	Other State Funds	Internal Service Funds/InterAgency Trnsfrs	Federal Funds	Total
SECTION 4 FY09 Operating Recurring:					
Legislative	4,264.5	-	-	-	4,264.5
Judicial	212,064.2	16,166.3	8,268.8	2,696.9	239,196.2
General Control	201,635.8	368,727.8	909,038.5	17,878.1	1,497,280.2
Commerce & Industry	59,955.6	43,426.0	20,555.2	705.7	124,642.5
Agric., Enrgy & Ntrl Res	91,827.5	52,334.5	37,614.5	34,460.4	216,236.9
Health, Hospitals & Human Svcs	1,513,321.7	242,789.3	307,917.9	3,377,401.0	5,441,429.9
Public Safety	408,187.2	28,471.7	10,930.1	60,295.4	507,884.4
Transportation	-	455,306.8	-	358,681.8	813,988.6
Other Education	48,887.1	18,850.3	5,000.0	54,638.8	127,376.2
Higher Education	857,865.5	1,308,023.1	317.3	545,173.9	2,711,379.8
Public School Support	2,559,919.4	750.0	-	438,387.0	2,999,056.4
Total Sec 4 Recurring	\$ 5,957,928.5	\$ 2,534,845.8	\$ 1,299,642.3	\$ 4,890,319.0	\$ 14,682,735.6
Recurring: Section 8					
Higher Education Compensation	24,978.2	-	-	-	24,978.2
Compensation	20,948.2	-	-	-	20,948.2
	\$ 45,926.4	\$ -	\$ -	\$ -	\$ 45,926.4
TOTAL RECURRING	\$ 6,003,854.9	\$ 2,534,845.8	\$ 1,299,642.3	\$ 4,890,319.0	\$ 14,728,662.0
Recurring: Section 5&6					
Specials	9,000.0	-	-	-	9,000.0
Supplemental	414.0	-	-	-	414.0
Total Recurring	9,414.0	-	-	-	\$ 9,414.0
Nonrecurring: Sections 5, 6, and 7					
Specials	93,501.8	3,663.7	-	180.0	97,345.5
Specials - Education Lock Box	8,100.0	-	-	-	8,100.0
Supplemental & Deficiency	26,584.2	27,017.6	-	1,436.4	55,038.2
Data Processing	11,948.5	3,298.7	-	-	15,247.2
Total Nonrecurring	\$ 140,134.5	33,980.0	-	1,616.4	\$ 175,730.9

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Unless otherwise indicated, appropriations from the general fund revert to the general fund at the end of FY09. Exceptions included higher education institutions and the Public Education Department.

SIGNIFICANT ISSUES

General fund operating appropriations for most legislative agencies are contained in House Bill 1, the Feed Bill.

Supplemental budget adjustment authority for FY08 or budget adjustment authority for FY09, usually included in the General Appropriation Act, is not included in this introduced version. It is expected that such authority will be included in future substitutes or amendments of this bill.

CONFLICT, DUPLICATION

House Bill 7 duplicates Senate Bill 78 and conflicts with House Bill 2 and Senate Bill 153. House Bill 2 and Senate Bill 153 represent the Executive's recommendations for funding operations of state government in fiscal year 2009.

CTF/bb

Public Employee Compensation FY09

	1% Total Cost FY08	General Fund Share	1% General Fund Cost	LFC Proposed Incr	LFC GF Impact
STATE AGENCIES					
Legislative:					
Legislative employees	\$ 134,071	100.0%	\$ 134.1	2.4	\$ 321.8
Judicial:					
Justices and judges	\$ 173,780	100.0%	\$ 173.8	2.4	\$ 417.1
Judicial employees	\$ 809,045	100.0%	\$ 809.0	2.4	\$ 1,941.7
Magistrate judges	\$ 61,402	100.0%	\$ 61.4	2.4	\$ 147.4
District attorneys	\$ 18,071	100.0%	\$ 18.1	2.4	\$ 43.4
District attorney employees	\$ 418,433	100.0%	\$ 418.4	2.4	\$ 1,004.2
Total Judicial	\$ 1,480,731		\$ 1,480.7		\$ 3,553.8
Executive:					
Executive classified:					
Classified employee groups	\$ 9,901,999	54.0%	\$ 5,347.1	2.4	\$ 12,833.0
Motor transportation officers	\$ 77,692	50.8%	\$ 39.5	2.4	\$ 94.7
Special investigation officers	\$ 19,070	100.0%	\$ 19.1	2.4	\$ 45.8
Subtotal executive classified	\$ 9,998,761		\$ 5,405.6		\$ 12,973.5
Executive nonclassified:					
Executive exempt	\$ 699,367	68.8%	\$ 481.2	2.4	\$ 1,154.8
Executive Exempt Teachers:					
Children, Youth and Families	\$ 32,500	68.8%	\$ 22.4	2.4	\$ 53.7
School for the Blind	\$ -	68.8%	\$ -		\$ -
Department of Health	\$ 6,421	68.8%	\$ 4.4	2.4	\$ 10.6
Corrections Department	\$ 59,481	68.8%	\$ 40.9	2.4	\$ 98.2
Executive exempt teachers	\$ 98,402	68.8%	\$ 67.7		\$ 162.5
State police	\$ 368,495	88.0%	\$ 324.3	2.4	\$ 778.3
Subtotal executive nonclassified	\$ 1,166,264		\$ 873.1		\$ 2,095.5
Total Executive	\$ 11,165,025		\$ 6,278.8		\$ 15,069.0
Total State Agencies	\$ 12,779,827		\$ 7,893.6		\$ 18,944.5
PUBLIC SCHOOLS --- See Footnote 1					
Teachers	\$ 12,437,747	100.0%	\$ 12,437.7	2.0	\$ 24,875.5
Other instructional staff	\$ 1,979,734	100.0%	\$ 1,979.7	2.0	\$ 3,959.5
Other Certified and Non-certified, inc. EA's	\$ 5,171,834	100.0%	\$ 5,171.8	2.0	\$ 10,343.7
Transportation employees	\$ 453,989	100.0%	\$ 454.0	2.0	\$ 908.0
Total Direct Compensation Public Schools	\$ 20,043,304		\$ 20,043.3		\$ 40,086.6
HIGHER EDUCATION					
Faculty	\$ 3,512,981	100.0%	\$ 3,513.0	2.0	\$ 7,026.0
Staff (includes ABE)	\$ 4,954,223	100.0%	\$ 4,954.2	2.0	\$ 9,908.4
Total Higher Education	\$ 8,467,204		\$ 8,467.2		\$ 16,934.4
TOTAL DIRECT COMPENSATION ALL PUBLIC EMPLOYEES	\$ 41,290,335		\$ 36,404.1		\$ 75,965.6
ADDITIONAL SPECIAL DIRECT COMPENSATION RECOMMENDATIONS (SECTION 8)					
District Attorneys		100.0%	\$ 205.8	2.0	\$ 411.5
Total Special Compensation Recommendation	\$ -		\$ 205.8		\$ 411.5
ADDITIONAL SPECIAL BENEFITS RECOMMENDATIONS (SECTION 4)					
State Agencies					
RHCAA Contribution increase			\$ 7,893.6	0.20	\$ 1,578.7
Executive Exempt Teachers					
ERB (% of direct pay) 2009			\$ 67.7	0.75	\$ 50.8
RHCAA Contribution increase				0.20	\$ -
					\$ 50.8
Public Education Benefit Adjustment					
ERB (% of direct pay) 2009			\$ 20,043.3	0.75	\$ 15,032.5
RHCAA Contribution increase				0.20	\$ 4,008.7
					\$ 19,041.1
Higher Education Benefit Adjustment					
ERB (% of direct pay) 2009			\$ 8,467.2	0.75	\$ 6,350.4
RHCAA Contribution increase				0.20	\$ 1,693.4
					\$ 8,043.8
Total Special Benefits Recommendation					\$ 28,714.5
TOTAL COMPENSATION RECOMMENDATION (direct and indirect)					\$ 104,680.0